Manitoba
Agriculture
and Food

Guidelines For Estimating

Bison Bull Finishing Costs

For Weight Range of 525 -1075 lbs

Based on 25 Head

nformation Update

www.gov.mb.ca/agriculture/

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This guide is designed to provide you with planning information and a format for calculating costs of production associated with feeding 25 bison feeder bulls from weaning to finish. The production costs included in this guide are not intended as a cost study of the bison industry in Manitoba.

The budget estimates are based on a number of assumptions which are clearly defined in the supporting pages. Input costs are based on recommended practices and/or information obtained from producers. Good management is assumed in that a balanced feeding program is being used, bison are on a herd health program and handling facilities are included.

The guideline can be useful for comparison purposes. Comparison of costs at different levels of production can be made with other farms, the farm over a period of time or comparing the plan with the actual results at the end of the planning period.

The budget may be adjusted to reflect your unique situation by substituting your own figures in the appropriate places. Each bison producer is encouraged to determine their own costs of production based on their own inputs, pasture program and level of management.

Also available, on the Manitoba Agriculture and Food website, is an Excel spreadsheet and it can be downloaded from the following address: **http://www.gov.mb.ca/agriculture**.

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Bison Bull Finishing Cost- Summary

Based on 25 head

A. Operating Costs	Cost/Head	Total Cost	Your Cost
1. Feed Costs			
1.01 Complete Ration	$107.21	$2,680	
1.02 Grass Hay	$70.20	$1,755	
1.03 Salt & Mineral	$4.06	$102	
1.04 Pasture Cost	$58.50	$1,463	
Total Feed Costs	**$239.97**	**$6,000**	
2. Other Operating Costs			
2.01 Feeder Cost	$630.00	$15,750	
2.02 Straw	$3.00	$75	
2.03 Veterinary Medicine & Supplies	$17.31	$433	
2.04 Annual Fuel & Repair Costs	$16.00	$400	
2.05 Utilities	$8.00	$200	
2.06 Transportation Costs	$35.71	$893	
2.07 Insurance	$10.97	$274	
2.08 Manure Removal	$8.00	$200	
2.09 Barn & Office Supplies	$4.00	$100	
2.10 Death Loss	$7.84	$196	
Subtotal Operating Costs	$980.80	$24,521	
2.11 Operating Interest	$39.13	$978	
Total Operating Costs	**$1,019.94**	**$25,499**	
B. Fixed Costs			
3. Depreciation			
3.01 Buildings	$13.75	$344	
3.02 Machinery & Equipment	$42.33	$1,058	
4. Investment			
4.01 Buildings	$5.50	$138	
4.02 Machinery & Equipment	$14.16	$354	
Total Fixed Costs	**$75.74**	**$1,894**	
Total Operating and Fixed Costs	**$1,095.68**	**$27,393**	
C. Labour	**$40.00**	**$1,000**	
Total Cost of Production	**$1,135.68**	**$28,393**	

Breakeven Selling Price	$/lb	
Operating Costs	**$1.01**	
Operating & Fixed	**$1.08**	
Total Costs	**$1.12**	

Bison Bull Finishing Cost Worksheet

Based on 25 head

Assumptions

1. This budget assumes the weaning and/or purchase weight of bison bull calves to be approximately 525 lbs. Finish weight would be assumed to be 1075 lbs.

2. This budget assumes a shrink (lot to slaughter plant) of 6 %. Shrunk weight = 1011 lbs.

3. Average Daily Gain = 1.85 lbs per day.

4. Time frame from start to finish is approximately 297 days, 90 days finishing and and 117 days backgrounding and 90 days on pasture.

5. Grain ration is prepared (minerals and salt included).

6. This budget is based an a finishing enterprise of 25 bulls.

A. Operating Costs

				Your Cost
1. Feed Costs				
1.01 Complete Ration				
		90	days on ration	
	x	16.5	lbs/feeder/day	
	x	$0.06	/lb	
	=	$92.81	/feeder	
		90	days on hay	
	x	8	lbs/feeder/day	
	x	$40	/lb	
	=	$14.40	/feeder	
	=	**$107.21**	**/feeder**	

			Your Cost
1.02 Grass Hay			
	117	days on hay	
x	20.0	lbs/feeder/day	
=	1.170	tons fed	
x	$60.00	/ton	
=	**$70.20**	**/feeder**	
1.03 Salt & Minerals			
	9	lbs/year	
x	$0.14	$/lb	
=	$1.26	**/feeder**	
	7	lbs/year	
x	$0.40	$/lb	
=	$2.80	**/feeder**	
=	$4.06	**/feeder**	
1.04 Pasture Costs			
	$0.65	$/head/day	
x	90	days on pasture	
=	$58.50	**/feeder**	
2. Other Operating Costs			
2.01 Feeder Bison Cost			
	525	lbs/feeder	
x	120.00	/cwt	
÷	100	lbs/cwt	
=	**$630.00**	**/feeder**	
2.02 Straw			
	0.13	tonnes/feeder/year	
x	$24.00	/tonne	
=	**$3.00**	**/feeder**	

				Your Cost
2.03 Veterinary Medicine & Supplies				
Medication				
		$0.55	blackleg	
	+	$0.00	vitamin	
	+	$3.80	parasite control	
	=	$4.35	/feeder	
Herd health program				
		$90.00	/hour charge	
	x	2	hours	
	÷	25	feeders	
	=	$7.20	/feeder	
Mileage				
		$0.90	/km charge	
	x	160	kilometres	
	x	1	visits	
	÷	25	feeders	
	=	$5.76	/feeder	
Total	**=**	**$17.31**	**/feeder**	
2.04 Annual Fuel & Repair Costs				
		$200.00	repairs	
	+	$200.00	fuel costs	
	÷	25	feeders	
	=	**$16.00**	**/feeder**	
2.05 Utilities				
		$200.00	cost/year	
	÷	25	feeders	
	=	**$8.00**	**/feeder**	
2.06 Transportation Costs				
		$3.00	$/loaded mile	
	x	500	distance	
	÷	42	load capacity	
	=	$35.71	/feeder	

				Your Cost
2.07 Insurance				
		$22,075	building & equipment investment	
	x	$0.60	cost/$100 capital	
	÷	100		
	÷	25	feeders	
	=	$5.30	/feeder	
		$630	feeder investment	
	x	$0.90	cost/$100 capital	
	÷	100		
	=	$5.67	/feeder	
Total	=	**$10.97**	**/feeder**	
2.08 Manure Removal				
		$200.00	annual removal cost	
	÷	25	feeders	
	=	**$8.00**	**/feeder**	
2.09 Barn & Office Supplies				
		$100.00	total barn expenses	
	÷	25	feeders	
	=	**$4.00**	**/feeder**	
2.10 Death Loss				
		$630.00	feeder cost	
	+	$119.99	½ of feed	
	+	$33.64	½ other (excluding marketing)	
	x	1.0	% mortality	
	=	**$7.84**	**/feeder**	
2.11 Operating Interest				
		$630.00	feeder cost	
	+	$171.48	½ of feed & other costs	
	x	6.0	% operating interest	
	x	297	days on feed	
	÷	365	365 days per year	
	=	**$39.13**	**/feeder**	

		Your Cost
Capital Investment		
Handling Facilities		
Holding Chutes	**$1,500**	
Waterers	**$500**	
Squeeze, Gates & Scale	**$1,500**	
Well & Pressure System	**$875**	
Pens (Working & Sorting)	**$2,500**	
Total Building Cost	**$6,875**	
Machinery & Equipment		
Self Feeder	**$2,200**	
Hay Feeders & Miscellaneous	**$500**	
Tractor & Loader	**$12,500**	
Total	**$15,200**	
Total Capital Investment	**$22,075**	

B. Fixed Costs

3. Depreciation

$$\frac{\textit{Original Cost - Salvage Value}}{\textit{Useful Life}}$$

3.01 Buildings

			Your Cost
	$6,875	original value	
-	$0	salvage value	
÷	20	years useful life	
÷	25	feeders	
=	**$13.75**	**/feeder**	

3.02 Machinery & Equipment

			Your Cost
	$15,200	original value	
-	$2,500	salvage value	
÷	12	years useful life	
÷	25	feeders	
=	**$42.33**	**/feeder**	

			Your Cost
4. Investment			
	Original Cost + Salvage Value / 2 x Investment Rate		
4.01 Buildings			
	$6,875	total building value	
+	$0	salvage value	
+	2	average	
x	4.00	% investment interest	
÷	25	feeders	
=	**$5.50**	**/feeder**	
4.02 Machinery & Equipment			
	$15,200	original value	
+	$2,500	salvage value	
=	$17,700		
÷	2	average	
x	4.00	% investment interest	
÷	25	feeders	
=	**$14.16**	**/feeder**	
C. Labour			
	4.0	hours/feeder/year	
x	$10.00	/hour	
=	**$40.00**	**/feeder**	

For further assistance contact your local Manitoba Agriculture and Food office

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